

CANNON BUILDING 861 SILVER LAKE BLVD., SUITE 203 DOVER, DELAWARE 19904-2467

STATE OF DELAWARE DEPARTMENT OF STATE

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DIVISION OF PROFESSIONAL REGULATION

PUBLIC MEETING MINUTES: DELAWARE REAL ESTATE COMMISSION

MEETING DATE AND TIME: Thursday, August 12, 2010 at 9:00 a.m.

PLACE: 861 Silver Lake Boulevard, Dover, Delaware

Conference Room A, second floor of the Cannon Building

MINUTES APPROVED: September 9, 2010

MEMBERS PRESENT

Vincent M. White, Professional Member, Chairman Andrew Staton, Professional Member, Vice Chairman Christopher J. Whitfield, Professional Member, Secretary Gilbert Emory, Public Member Patricia O'Brien, Public Member James C. Brannon, Jr., Public Member Denise Stokes, Public Member Ricky H. Allamong, Professional Member Richard Brogan, Professional Member

DIVISION STAFF/ DEPUTY ATTORNEY GENERAL

Kay Warren, Deputy Director, Division of Professional Regulation Eileen Heeney, Deputy Attorney General Gayle Melvin, Administrative Specialist III

ALSO PRESENT

Crystal Hudson, SCAOR
Bill Lucks
Larry Tims
Mark Wolfe
Gary Bryde, Esquire
Douglas Tisdel
Vicki Tisdel
J.T. Takacs
Michael McCusker

Milton Morozowich Kathy Morozowich Seth Thompson, Esquire Karen Kimbleton Jim Kimbleton Lynda Brogan Brenda Chrosniak **Brent Laise** Laurie Laise Mike Schachte Sam Nickerson Jean Betley Layton Ward **Dorothy Palmatary** Stacev Stewart, DAG Ashley Calloway Kim Hurley, Court Reporter

CALL TO ORDER

Mr. White called the meeting to order at 9:00 a.m.

Eric Carlson, Arcadia Land Realty, Haverford, PA Robert Jones, Cooper Realty Associates, Seaford, DE

REVIEW OF MINUTES

A motion was made by Mr. Staton, seconded by Ms. Stokes to approve the minutes of the meeting held on July 8, 2010. The motion passed unanimously.

NEW BUSINESS

Applications for Licensure

A motion was made by Mr. Allamong, seconded by Mr. Emory to ratify the following new salesperson applicants as presented:

Edward Cole, Jr., Long & Foster, Media, PA
Brendan Reilly, Crescent Real Estate, Broomall, PA
Jaime Chau, Keller Williams, Wilmington, DE
Noreen Scalice, Coldwell Banker Residential Brokerage, Ocean City, MD
Sami Almakhadhi, Prudential Fox & Roach, Hockessin, DE
Thomas Huston, Prudential Fox & Roach, Greenville, DE
Megan Aitken, Metro Referrals, Bear, DE
John Bator, Prudential Gallo Realtors, Rehoboth Beach, DE
Pamela Carlon, Long & Foster, Bethany Beach, DE
Kaitlyn Parsons, Re/Max Associates, Hockessin, DE
Anthony Petri, Harrington Realty, Dover, DE
Lamar Kelley, Advance Prestige Realty, Bear, DE
Paul Powalski, Cooper Realty Associates, Lewes, DE
Marie Costello, Keller Williams, Wilmington, DE
Sonya Lambert, Keller Williams, Christiana, DE

Cynthia Susi, Prudential Gallo Realtors, Lewes, DE
Jane Green, Long & Foster, Bethany Beach, DE
Christa McLaughlin, Weichert Realtors, Chadds Ford, PA
Traceta Bailey, Millman Realty, Wilmington, DE
Emily Williams, Bay Coast Realty, Rehoboth Beach, DE
Janetta Randolph, Long & Foster, Bear, DE
Anatoly Logvinsky, Applebaum Realty, Wilmington, DE
Jane Williams, Connor, Jacobsen Realty, Bethany Beach, DE
Kimberly Kapp, Coldwell Banker Preferred, Wilmington, DE
Edward Crowley, Crowley Associates Realty, Bethany Beach, DE
Kenneth Jester, Capital Commercial Realty, Dover, DE
Roger Holcomb, Patterson Schwartz, Hockessin, DE
Luis Acevedo, Prudential Fox & Roach, Chadds Ford, PA

The motion passed unanimously.

The application of Theresa Jackson for a non-resident broker's license was reviewed. A motion was made by Mr. Staton, seconded by Ms. O'Brien to approve this application. The motion passed unanimously.

New Office

The application of Concord Realty Group for a new office was reviewed. A motion was made by Mr. Allamong, seconded by Mr. Brannon to deny this application because the office does not have a separate entrance or a sign in a conspicuous location. The motion passed unanimously.

Review of Initial Questionnaire from the Joint Sunset Committee

Ms. Warren was present to discuss the initial questionnaire from the Joint Sunset Committee. She stated that the Division of Professional Regulation will complete the majority of the questionnaire. She asked for input from Commission members on the following: page 4, questions 2 and 3; page 5, question G (which will be addressed in the proposed revisions to the statute); page 7, questions B and C; page 12, sections 9 and 10. Ms. Warren will provide the Commission with a draft of the completed questionnaire for review at the September meeting.

Applications for Licensure Continued

New Office

The application of Jackson & Belcher Real Estate Co., Inc. for a new office was reviewed. A motion was made by Mr. Staton, seconded by Mr. Brannon to approve this application. The motion passed unanimously.

Reinstatement of Licenses

The application of Mohammed Chowdhury for reinstatement of a resident salesperson's license was reviewed. A motion was made by Mr. Staton, seconded by Mr. Brannon to approve Mr. Chowdhury for reinstatement. The motion passed unanimously.

The application of Allen Handy for reinstatement of a resident salesperson's license was reviewed. A motion was made by Mr. Staton, seconded by Mr. Brannon to approve Mr. Handy for reinstatement. The motion passed unanimously.

The application of Ronald Osbourn for reinstatement of a resident broker's license was reviewed. A motion was made by Mr. Staton, seconded by Mr. Brannon to approve Mr. Osbourn for reinstatement. The motion passed unanimously.

The application of Cindy Riley for reinstatement of a resident salesperson's license was reviewed. A motion was made by Mr. Staton, seconded by Mr. Brannon to approve Ms. Riley for reinstatement. The motion passed unanimously.

The application of Laura Peretiatko for reinstatement of a resident salesperson's license was reviewed. A motion was made by Mr. Staton, seconded by Mr. Brannon to approve Ms. Peretiatko for reinstatement. The motion passed unanimously.

Status of Complaints

Complaint No. 02-22-07 – Schedule Hearing Date Complaint No. 02-40-07 - Schedule Hearing Date Complaint No. 02-20-08 - Schedule Hearing Date Complaint No. 02-47-09 - Closed Complaint No. 02-48-09 - Closed Complaint No. 02-52-09 - Referred to the Attorney General's Office Complaint No. 02-07-10 - Schedule Hearing Date Complaint No. 02-08-10 – Closed Complaint No. 02-09-10 - Closed Complaint No. 02-10-10 - Closed Complaint No. 02-11-10 – Closed Complaint No. 02-12-10 – Closed Complaint No. 02-13-10 - Closed Complaint No. 02-20-10 – Assigned to Mr. Allamong Complaint No. 02-21-10 – Assigned to Mr. Allamong Complaint No. 02-38-08 - Closed Complaint No. 02-51-09 - Closed Complaint No. 02-22-10 – Assigned to Mr. Allamong Complaint No. 02-23-10 – Assigned to Mr. White

Education Committee Report

Complaint No. 02-24-10 – Assigned to Mr. White

Mr. Tims reported that there are two new members on the Education Committee, Doug Doyle and John Tarburton, and a new administrative specialist, Jessica Williams.

Recommendation to Approve and Deny Course Providers, Instructor Applications and Student Requests as Noted

A motion was made by Mr. Staton, seconded by Mr. Brannon to approve and deny course providers, instructor applications and student requests as noted in the minutes of the August 5, 2010 meeting of the Real Estate Education Committee. The motion passed unanimously.

Review of Survey for Online Courses

The Commission reviewed a survey used by The CE Shop for their online classes. The current survey that is being used by the Commission is not geared towards online classes. A motion was made by Mr. Staton, seconded by Mr. Brannon to approve the use of this survey for online classes. The motion passed unanimously.

Discussion: Annual Seminar

Ms. Melvin provided Commission members with a copy of the agenda for the annual seminar. Mr. Tims reported that members from the Education Committee will be monitoring the annual seminar and helping with registration and distributing certificates. A discussion was held about the panel discussion. Commission members should send their questions to Mr. Tims by next week.

Applications for Licensure Continued

Resident Salesperson

The application of Walter Wolff for a resident salesperson's license was reviewed. A motion was made by Mr. Brogan, seconded by Ms. O'Brien to table this application until next month in order for Ms. Heeney to have time to review it. A discussion was held regarding delaying this application for another month or deferring it to later in this meeting. The motion was withdrawn. A motion was made by Mr. Staton, seconded by Mr. Emory to defer this application for discussion until later in the meeting today. The motion passed unanimously.

<u>Discussion: Change Dates of October and November Meetings</u>

A discussion was held about changing the meeting dates of the October and November meetings. The October meeting date is the same day as the DAR Convention and the November meeting date is scheduled on a state holiday. A motion was made by Mr. Staton, seconded by Mr. Allamong to change the October meeting date to October 15, 2010. The motion passed unanimously. A motion was made by Mr. Staton, seconded by Mr. Brannon to change the November meeting date to November 12, 2010. The motion passed unanimously.

OLD BUSINESS

<u>Discussion: Letter from Bill Lucks Requesting to be Licensed With Two Brokerage Firms</u>

Commission members discussed at length the letter from Mr. Lucks requesting permission to be licensed with two brokerage firms. Ms. Heeney advised that the statute does not allow for this and the Commission would be setting a new policy guideline. The State of Maryland does allow for this, but it is included in the statute. A motion was made by Mr. Allamong, seconded by Mr. Staton to approve Mr. Lucks to be licensed with two brokerage firms with confirmation from each broker of record that they will separate their business practices and payment of the fees. A discussion was held about business practices and regulating a licensee who has two licenses. The motion was amended. A motion was made by Mr. Allamong, seconded by Mr. Staton to approve Mr. Lucks to be licensed with two brokerage firms with an agreement between the two brokers of record and payment of the fees. The motion passed by majority vote. Mr. Whitfield, Mr. White, Mr. Emory and Ms. Stokes voted against the motion.

The Commission took a break from 10:30 a.m. to 10:41 a.m.

HEARING

Douglas and Vicki Tisdel: Claim Against the Real Estate Guaranty Fund

Ms. Heeney called the formal hearing to order at 10:44 a.m. The hearing for this matter, a claim against the Real Estate Guaranty Fund, was held pursuant to 24 *Del. C.* §2922. Present for the hearing were Gary Bryde, Esquire and Douglas and Vicki Tisdel. Mr. Bryde presented the matter to the Commission and answered questions from the Commissioners. Verbatim testimony was recorded by the court reporter.

The Commission went off the record at 10:58 a.m. to hold deliberations. The Commission went back on the record at 11:04 a.m. A motion was made by Mr. Brogan, seconded by Mr. Brannon that pursuant to §2922(c)(4), the Tisdels have met the requirements of the statute and are entitled to \$25,000. The motion passed unanimously. The hearing ended at 11:05 a.m.

NEW BUSINESS CONTINUED

Review of Letter from Kristine McNeal Requesting to Retake the Exam a Fourth Time

The Commission reviewed the letter from Kristine McNeal requesting to retake the licensing exam a fourth time. A motion was made by Mr. Brannon, seconded by Mr. Allamong to deny this request. The motion passed unanimously.

Review of Letter from Deborah Shockley Requesting to Transfer her License

The Commission reviewed the letter of explanation and transfer form from Deborah Shockley requesting to transfer her non-resident broker's license. Ms. Shockley's Maryland license is held with Coldwell Banker Residential Brokerage. She requested that her Delaware license be held with World Real Estate Marketing LLC. Both share the same parent company, Realogy Corporation. A motion was made by Mr. Staton, seconded by Mr. Brogan to approve Ms. Shockley's request to transfer. The motion passed by majority vote. Mr. Allamong abstained from the vote.

OLD BUSINESS CONTINUED

Review of Letter from Charisse Sinkler Requesting an Additional 30-Day Extension for Taking the Exam

The Commission reviewed the letter from Charisse Sinkler requesting an additional 30-day extension for taking the exam. A motion was made by Mr. Staton, seconded by Mr. Brogan to grant the extension. The motion passed unanimously.

Review of Email from David Thompson Requesting an Additional 60-Day Extension for Taking the Exam

The Commission reviewed the email from David Thompson requesting an additional 60-day extension for taking the exam. A motion was made by Mr. Staton, seconded by Mr. Whitfield to grant Mr. Thompson a 30-day extension. The motion passed unanimously.

Final Denial of Application

A motion was made by Mr. Allamong, seconded by Mr. Brannon to final deny the application for the following person which the Commission had proposed to deny and had received no response from the applicants requesting a hearing:

Daniel Nelson

The motion passed unanimously.

The Commission took a break from 11:20 a.m. to 11:27 a.m.

HEARING

Ms. Heeney called the formal hearing to order at 11:27 a.m. This hearing was held to receive evidence in Case Nos. 02-16-09; 2-33-08; and 02-27-09 Against Karen S. Kimbleton. It was noted that Mr. Givens, who is no longer a Commissioner, was the contact person for Case Nos. 02-16-09 and 02-33-08. Mr. Allamong recused himself from this hearing because he was the contact person for Case No. 02-27-09. Present for the hearing were Barbara Gadbois, Deputy Attorney General, Seth Thompson, Esquire, Karen Kimbleton, Layton Ward, Jean Betley, Milton and Kathy Morozowich, Brent and Laurie Laise and Dorothy Palmatary. Verbatim testimony was recorded by the court reporter.

Ms. Gadbois presented her case. She called Jean Betley as her first witness. Ms. Betley answered questions from Ms. Gadbois, Mr. Thompson and Commission members.

The Commission took a recess from 12:53 p.m. to 1:40 p.m.

Ms. Gadbois called Mr. Morozowich as her second witness. Mr. Morozowich answered questions from Ms. Gadbois, Mr. Thompson and Commission members.

A motion was made by Mr. Staton, seconded by Mr. Brannon to continue this hearing until August 23, 2010 at 9:00 a.m. The motion passed unanimously. The hearing adjourned at 2:22 p.m.

NEW BUSINESS CONTINUED

Application for Licensure

The Commission reviewed the application for a resident salesperson's license for Walter Wolff. Ms. Heeney had reviewed the application and advised that Mr. Wolff currently holds a non-resident salesperson's license and is requesting to convert it to a resident salesperson's license. At the last renewal of his non-resident license, Mr. Wolff had answered yes to the question asking if your license had been suspended, revoked, otherwise disciplined, or under investigation in any state since your last renewal in Delaware. She advised that this is a separate issue and is not an issue to be addressed with this application. A motion was made by Mr. Staton, seconded by Mr. Brannon to approve Mr. Wolff's application. The motion passed unanimously.

OLD BUSINESS CONTINUED

Review of Consent Agreement for Case 02-18-97 Against Thomas M. Harmon, Jr.

Since Mr. Harmon has not yet signed the consent agreement, the Commission requested that Ms. Melvin schedule a hearing for this case.

Discussion: Newsletter

Commission members reviewed and approved the draft of the newsletter. Ms. Melvin will forward it to Mr. Collins for approval.

Discussion: Review of Comments and Changes to the Seller's Disclosure Forms

Mr. Allamong provided Commission members with a list of the comments that he had received regarding the seller's disclosure forms. He asked how members wished for him to proceed. It was decided that Mr. Allamong will present his recommendations at the next meeting.

Review of Application for Licensure as a Non-Resident Broker

The application of Kevin Barrett for a non-resident broker's license was reviewed. Mr. Barrett's application had previously been proposed to deny because he answered yes to the question on the application asking if a complaint has been filed or is pending against you with the Delaware Real Estate Commission or with the commission of any other state. The pending complaint against Mr. Barrett has been dismissed by the Attorney General's Office. A motion was made by Mr. Brannon, seconded by Ms. Stokes to approve Mr. Barrett's application. The motion passed by majority vote. Mr. Whitfield abstained from the vote.

Review of Audit Information

The Commission reviewed the audit information received from Sherry Heffernan. The Commission found that Ms. Heffernan had only provided proof of completion of 7 hours of continuing education and did not complete the mandatory legislative update course. It was decided that Ms. Heffernan would be required to appear for a second Rule to Show Cause Hearing.

The Commission reviewed the audit information and letter of appeal received from Richard Lundregan. Mr. Lundregan will be advised that his appeal rights were set forth in the last page of the Decision and Order and were referenced in the June 25, 2010 cover letter. Pursuant to the terms of the Decision and Order from the first Rule to Show Cause Hearing, Mr. Lundregan would be required to appear for a second Rule to Show Cause Hearing.

OTHER BUSINESS BEFORE THE COMMISSION (for discussion only)

Mr. Staton provided Ms. Melvin with his audit information.

Mr. Whitfield asked that the Commission direct the Subcommittee to Review Proposed Statute Revisions to immediately develop rules and regulations because of the precedence set today to allow a licensee to hold a license with two separate companies.

Ms. Heeney advised Commission members about Senate Bill 232 which was passed during the past legislative session. This Bill states that suspension or revocation of a license will become effective the day of the hearing. The final order has to be signed by Commission members and served to the licensee within 30 days.

PUBLIC COMMENT

There was no public comment at this meeting.

NEXT SCHEDULED MEETING

The next regular scheduled meeting will be held on Thursday, September 9, 2010 at 1:00 p.m.

ADJOURNMENT

A motion was made by Mr. Brannon, seconded by Ms. O'Brien to adjourn the meeting. The motion passed unanimously. The meeting adjourned at 2:58 p.m.

Respectfully submitted,

Dayle & Melvin

Gayle L. Melvin

Administrative Specialist III